

# Draft Storyboard for Scoping the Water Plan Update 2013 Finance Plan August 12, 2011

This document is intended to enable diverse Water Plan stakeholders and planning partners to: (1) initiate discussions and develop a common language and vision surrounding State Integrated Water Management<sup>1</sup>-related activities and funding; and (2) collaboratively develop a framework for planning future State Government IWM activities and funding. The purpose of the eventual finance planning framework will be to synthesize information and stakeholder input such that it supports actionable State-administered IWM finance recommendations for State policy-makers. Eight steps for developing the Update 2013 Finance Plan framework are listed below in the form of a storyboard. This document was refined based on many suggestions from the Public Advisory Committee, Finance Caucus and other participants. The following suggestions were used to guide the storyline presented below:

- Avoid presupposing any occurrence, scope or magnitude of future State IWM roles, programs, activities or funding
- Establish key definitions early in the process
- Build a framework that incorporates IWM perspectives of multiple jurisdictional scales (e.g. federal, State and local)
- Build a framework that incorporates the many actions or policies typically associated with IWM
- For Update 2013, focus on the most critical IWM activities/needs/plans
- Clarify the role of State Government and focus the Finance Plan recommendations on actions to be administered by the State Government

## STEP 1 – SCOPE AND OUTCOMES

### **What is the scope of the finance plan in terms of targeted resource management objectives and outcomes?**

This is the first step in essentially defining the scope of the State's future involvement in IWM activities and finance. Information that can be used to help develop this step includes, but is not limited to: Update 2009 Strategic Plan, benefits associated with Update 2009 Resource Management Strategies, IRWMs, UWMPs, Update 2013 Regional Reports, other. This first step includes targeted benefits expressed at the federal, State, regional and local levels. Activities, policies or processes will be identified in Step 2 below.

## STEP 2 – PRIORITIES AND ACTIVITIES

### **What are the mandated and most critical and/or high priority objectives and accompanying activities?**

The concept of IWM is very broad, complex and involves many scales (i.e. federal, Tribal, State, regional, local agencies). In order to develop useful recommendations within the timeframe of Update 2013, the Finance Plan must focus on the objectives (and the activities/policies required to meet the objectives) that are deemed most important within the various jurisdictions described Step 1. This step also includes a description of the purpose, context and benefits associated with the critical activities.

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<sup>1</sup> Integrated Water Management (IWM) is a collection of policies, practices and tools applied to water resources planning and management to achieve multiple objectives and enhanced outcomes.

### STEP 3 – EXISTING FUNDING

**What is the level and source of funding for the activities or policies identified in Step 2?**

This step helps further focus the Finance Plan on critical resource management activities/services that are likely to require an expanded or new approach to funding.

### STEP 4 – FUNDING SUSTAINABILITY

**What activities identified in Step 2 are currently unfunded, have no foreseeable funding alternatives, or are currently funded, but in an unsustainable manner?**

Recognizing that there exists many funding alternatives, sources, methods, constraints etc, a necessary step in state finance planning is to identify the most financially unsustainable or vulnerable funding sources, assumptions and/or expectations.

### STEP 5 – STATE ROLE

**Which activities is State government best positioned to implement?** Update 2009 of the Water Plan recommends the State effectively lead, assist, and oversee California's water resources and flood planning and management activities that: (1) regions cannot accomplish on their own, (2) the State can do more efficiently, (3) involve inter-regional or interstate issues, or (4) have broad public benefits. This section will include findings and recommendations regarding the State's future role in creating the benefits identified in Step 1. This includes the State's role in partnerships with federal, regional or local entities.

### STEP 6 – FUTURE COSTS

**How much will the State government's future role cost?** The cost to of State-administered activities/programs (identified in Step 5) will be estimated and presented in this step. Embedded in this step is the concept of improving State government efficiency. This step could involve the development of more than one future funding scenario.

### STEP 7- FUNDING WHOS AND HOWS

**How will costs be allocated (and through what mechanisms) the activities identified in Step 5?** This is where alternatives and recommendations regarding governance, revenue sources, accountability, improving State government efficiencies and other mechanisms associated with funding and implementing the critical activities/services best administered by State Government.

### STEP 8 – CONSEQUENCES AND CONTINGENCIES

**What are the consequences and contingencies under severe and sustained funding constraints?** This step includes recommendations that involve: (1) an emphasis on short-term economic benefits of investments; (2) increasing reliance on "triage actions" such as minimal operations and maintenance of existing infrastructure as opposed implementing new approaches and long term solutions; (3) reducing investment in programs with less certain outcomes. The trade-offs of this situation will also be described.